GIRL SCOUTS OF THE MISSOURI HEARTLAND, INC.

FINANCIAL STATEMENTS

SEPTEMBER 30, 2015 AND 2014

ELLIOTT, ROBINSON
& COMPANY, LLP

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INDEPENDENT AUDITORS' REPORT

Board of Directors
Girl Scouts of the Missouri Heartland, Inc.
Springfield, Missouri

Report on the Financial Statements

We have audited the accompanying statements of financial position of Girl Scouts of the Missouri Heartland, Inc. (a nonprofit organization) as of September 30, 2015 and 2014, and the related statements of activities and changes in net assets, functional expenses, and cash flows for the years then ended.

Management's Responsibility for the Financial Statements

Management is responsible for preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with accounting standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of Girl Scouts of the Missouri Heartland, Inc. as of September 30, 2015 and 2014, and the changes in its net assets and cash flows for the years then ended in accordance with accounting principles generally accepted in the United States of America.

Elliott, Robinson & Company, LLP

Springfield, Missouri
December 18, 2015

GIRL SCOUTS OF THE MISSOURI HEARTLAND, INC.
STATEMENTS OF FINANCIAL POSITION
SEPTEMBER 30, 2015 AND 2014

	2015	2014
ASSETS		
Current Assets		
Cash and cash equivalents	$ 1,845,273	2,522,102
Receivables and pledges - net allowance for doubtful accounts of $66,912 and $50,146	73,249	69,880
Current portion of land lease	8,896	9,532
Inventory	204,524	175,367
Prepaid expenses	48,000	49,934
Short term investments	117,540	117,021
Total current assets	2,297,482	2,943,836
Fixed Assets		
Property and equipment, net of accumulated depreciation	3,181,818	3,345,141
Net fixed assets	3,181,818	3,345,141
Other Assets		
Long-term pledges receivable	18,710	47,527
Long-term land lease	33,533	44,612
Cash value of life insurance	6,273	6,005
Other assets	8,176	20,595
Long-term investments	1,633,782	1,736,180
Total other assets	1,700,474	1,854,919
Total Assets	**$ 7,179,774**	**8,143,896**
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts payable	89,041	125,834
Accrued vacation	91,122	96,116
Accrued program incentives	196,287	180,392
Accrued expenses	30,219	39,216
Deferred revenue	29,354	31,180
Total current liabilities	436,023	472,738
Net Assets		
Unrestricted	5,602,052	6,405,198
Unrestricted - board designated	606,535	662,408
Temporarily restricted	139,961	189,433
Permanently restricted	395,203	414,119
Total net assets	6,743,751	7,671,158
Total Liabilities and Net Assets	**$ 7,179,774**	**8,143,896**

See accompanying accountant's report and notes to financial statements.

GIRL SCOUTS OF THE MISSOURI HEARTLAND, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2015

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Gains and Support:				
Contributions	$ 363,869	22,021	500	386,390
Special fundraising events	66,424	-	-	66,424
Realized gain on investments	15,554	-	-	15,554
Unrealized gain (loss) on investments	(121,417)	(16,180)	(15,126)	(152,723)
Investment income, net fees	67,306	-	-	67,306
Contributed products and services	187,501	-	-	187,501
Rental income	18,011	-	-	18,011
Miscellaneous revenue	28,659	-	-	28,659
Gain on insurance claims	7,590	-	-	7,590
Gain on sale of assets	15,030	-	-	15,030
Total revenues	648,527	5,841	(14,626)	639,742
Net Assets Released from Restrictions:	59,603	(55,313)	(4,290)	-
Product Sales:				
Revenue	5,961,124	-	-	5,961,124
Cost of product	(1,633,693)	-	-	(1,633,693)
Troop proceeds	(957,033)	-	-	(957,033)
Net product sales	3,370,398	-	-	3,370,398
Merchandise Sales:				
Sales	449,106	-	-	449,106
Cost of sales	(274,491)	-	-	(274,491)
Returns, allowances, and discounts	(1,636)	-	-	(1,636)
Net merchandise sales	172,979	-	-	172,979
Program Service Revenue:	270,738	-	-	270,738
Total Net Revenue, Gains and Support	4,522,245	(49,472)	(18,916)	4,453,857
Expenses:				
Program services	4,588,938	-	-	4,588,938
Fundraising	469,270	-	-	469,270
General and administrative	323,056	-	-	323,056
Total expenses	5,381,264	-	-	5,381,264
Decrease in Net Assets	**$ (859,019)**	**(49,472)**	**(18,916)**	**(927,407)**

See accompanying accountant's report and notes to financial statements.

GIRL SCOUTS OF THE MISSOURI HEARTLAND, INC.
STATEMENT OF ACTIVITIES
YEAR ENDED SEPTEMBER 30, 2014

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Gains and Support:				
Contributions	$ 443,973	43,914	-	487,887
Special fundraising events	78,378	-	-	78,378
Realized gain on investments	21,425	-	-	21,425
Unrealized gain on investments	84,112	18,504	26,464	129,080
Investment income, net fees	48,088	-	-	48,088
Beneficial interest in perpetual trust	-	10,527	(10,527)	-
Contributed products and services	311,212	-	-	311,212
Rental income	17,570	-	-	17,570
Miscellaneous revenue	76,324	-	-	76,324
Gain on insurance claims	15,224	-	-	15,224
Gain on sale of assets	402,951	-	-	402,951
Total revenues	1,499,257	72,945	15,937	1,588,139
Net Assets Released from Restrictions:	35,202	(30,327)	(4,875)	-
Product Sales:				
Revenue	5,701,454	-	-	5,701,454
Cost of product	(1,594,560)	-	-	(1,594,560)
Troop proceeds	(900,392)	-	-	(900,392)
Net product sales	3,206,502	-	-	3,206,502
Merchandise Sales:				
Sales	408,190	-	-	408,190
Cost of sales	(249,999)	-	-	(249,999)
Returns, allowances, and discounts	(746)	-	-	(746)
Net merchandise sales	157,445	-	-	157,445
Program Service Revenue:	286,763	-	-	286,763
Total Net Revenue, Gains and Support	5,185,169	42,618	11,062	5,238,849
Expenses:				
Program services	4,584,164	-	-	4,584,164
Fundraising	462,437	-	-	462,437
General and administrative	322,886	-	-	322,886
Total expenses	5,369,487	-	-	5,369,487
Increase (Decrease) in Net Assets	**$ (184,318)**	**42,618**	**11,062**	**(130,638)**

See accompanying accountant's report and notes to financial statements.

GIRL SCOUTS OF THE MISSOURI HEARTLAND, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2015

	Program			
	Membership Development	Programs	Camping Services	Total
Payroll:				
Salaries	$ 835,108	699,994	433,487	1,968,589
Employee benefits	235,041	197,026	122,102	554,169
Payroll taxes	66,222	55,511	34,401	156,134
Total payroll and benefits	1,136,371	952,531	589,990	2,678,892
Other Expenses:				
Professional fees	48,958	41,039	25,433	115,430
Supplies	56,916	47,711	29,567	134,194
Product sales incentives and awards	88,765	74,408	46,112	209,285
Telecommunications	40,048	33,571	20,804	94,423
Postage and delivery	11,711	9,816	6,083	27,610
Occupancy	135,781	113,821	70,537	320,139
Repairs and maintenance	45,219	37,906	23,491	106,616
Printing, promotion and publications	69,803	58,513	36,262	164,578
Travel	50,618	42,431	26,296	119,345
Staff and volunteer development	4,017	3,367	2,086	9,470
Assistance and grants	63,371	53,121	32,920	149,412
Insurance	63,110	52,904	32,786	148,800
Depreciation	88,903	74,525	46,185	209,613
Other expenses	42,894	35,955	22,282	101,131
Total other expenses	810,114	679,088	420,844	1,910,046
Total Expenses:	**$ 1,946,485**	**1,631,619**	**1,010,834**	**4,588,938**

See accompanying accountant's report and notes to financial statements.

GIRL SCOUTS OF THE MISSOURI HEARTLAND, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2015

	Supporting Services			
	Fundraising	General & Administrative	Total	Total Expenses
Payroll:				
Salaries	$ 201,335	138,699	340,034	2,308,623
Employee benefits	56,664	38,989	95,653	649,822
Payroll taxes	15,965	10,985	26,950	183,084
Total payroll and benefits	273,964	188,673	462,637	3,141,529
Other Expenses:				
Professional fees	11,803	8,121	19,924	135,354
Supplies	13,722	9,441	23,163	157,357
Product sales incentives and awards	21,400	14,724	36,124	245,409
Telecommunications	9,655	6,643	16,298	110,721
Postage and delivery	2,823	1,943	4,766	32,376
Occupancy	32,735	22,524	55,259	375,398
Repairs and maintenance	10,902	7,501	18,403	125,019
Printing, promotion and publications	16,828	11,579	28,407	192,985
Travel	12,203	8,397	20,600	139,945
Staff and volunteer development	968	666	1,634	11,104
Assistance and grants	15,278	10,512	25,790	175,202
Insurance	15,215	10,469	25,684	174,484
Depreciation	21,433	14,748	36,181	245,794
Other expenses	10,341	7,115	17,456	118,587
Total other expenses	195,306	134,383	329,689	2,239,735
Total Expenses:	**$ 469,270**	**323,056**	**792,326**	**5,381,264**

See accompanying accountant's report and notes to financial statements.

GIRL SCOUTS OF THE MISSOURI HEARTLAND, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2014

	Program			
	Membership Development	Programs	Camping Services	Total
Payroll:				
Salaries	$ 800,782	701,598	411,989	1,914,369
Employee benefits	238,311	208,939	122,827	570,077
Payroll taxes	64,253	56,333	33,116	153,702
Total payroll and benefits	1,103,346	966,870	567,932	2,638,148
Other Expenses:				
Professional fees	43,490	38,130	22,415	104,035
Supplies	61,640	54,043	31,770	147,453
Product sales incentives and awards	84,738	74,294	43,674	202,706
Telecommunications	38,238	33,525	19,708	91,471
Postage and delivery	10,461	9,172	5,392	25,025
Occupancy	124,684	109,317	64,263	298,264
Repairs and maintenance	40,294	35,328	20,768	96,390
Printing, promotion and publications	94,819	83,133	48,870	226,822
Travel	53,898	47,255	27,779	128,932
Staff and volunteer development	7,769	6,811	4,004	18,584
Assistance and grants	64,638	56,672	33,315	154,625
Insurance	62,551	54,842	32,239	149,632
Depreciation	88,303	77,419	45,512	211,234
Other expenses	37,975	33,295	19,573	90,843
Total other expenses	813,498	713,236	419,282	1,946,016
Total Expenses:	**$ 1,916,844**	**1,680,106**	**987,214**	**4,584,164**

See accompanying accountant's report and notes to financial statements.

GIRL SCOUTS OF THE MISSOURI HEARTLAND, INC.
STATEMENT OF FUNCTIONAL EXPENSES
YEAR ENDED SEPTEMBER 30, 2014

	Supporting Services			
	Fundraising	General & Administrative	Total	Total Expenses
Payroll:				
Salaries	$ 193,582	135,312	328,894	2,243,263
Employee benefits	57,408	40,052	97,460	667,537
Payroll taxes	15,478	10,799	26,277	179,979
Total payroll and benefits	266,468	186,163	452,631	3,090,779
Other Expenses:				
Professional fees	10,477	7,309	17,786	121,821
Supplies	14,849	10,360	25,209	172,662
Product sales incentives and awards	20,413	14,242	34,655	237,361
Telecommunications	9,211	6,427	15,638	107,109
Postage and delivery	2,520	1,758	4,278	29,303
Occupancy	30,036	20,955	50,991	349,255
Repairs and maintenance	9,707	6,772	16,479	112,869
Printing, promotion and publications	22,842	15,936	38,778	265,600
Travel	12,984	9,058	22,042	150,974
Staff and volunteer development	1,871	1,306	3,177	21,761
Assistance and grants	15,571	10,864	26,435	181,060
Insurance	15,068	10,513	25,581	175,213
Depreciation	21,272	14,841	36,113	247,347
Other expenses	9,148	6,382	15,530	106,373
Total other expenses	195,969	136,723	332,692	2,278,708
Total Expenses:	**$ 462,437**	**322,886**	**785,323**	**5,369,487**

See accompanying accountant's report and notes to financial statements.

GIRL SCOUTS OF THE MISSOURI HEARTLAND, INC.
STATEMENTS OF CHANGES IN NET ASSETS
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

	Unrestricted	Temporarily Restricted	Permanently Restricted	Total
Net Assets - September 30, 2013	$ 7,251,924	146,815	403,057	7,801,796
Change in Net Assets	(184,318)	42,618	11,062	(130,638)
Net Assets - September 30, 2014	7,067,606	189,433	414,119	7,671,158
Change in Net Assets	(859,019)	(49,472)	(18,916)	(927,407)
Net Assets - September 30, 2015	**$ 6,208,587**	**139,961**	**395,203**	**6,743,751**

See accompanying accountant's report and notes to financial statements.

GIRL SCOUTS OF THE MISSOURI HEARTLAND, INC.
STATEMENTS OF CASH FLOWS
YEARS ENDED SEPTEMBER 30, 2015 AND 2014

	2015	2014
Cash flows from operating activities:		
Decrease in net assets	$ (927,407)	(130,638)
Non-cash items included in net decrease		
Depreciation	245,794	247,347
Amortization of land lease	11,715	10,097
Gain on sale of fixed assets	(15,030)	(402,951)
Net realized gain on investments	(15,554)	(21,425)
Net unrealized (gain) loss on investments	152,723	(129,080)
(Increase) decrease in operating assets		
Increase in cash value of life insurance	(268)	(267)
(Increase) decrease in receivables and pledges	25,448	(72,128)
Increase in inventory	(29,157)	(1,390)
(Increase) decrease in prepaid expenses	1,934	(42)
(Increase) decrease in other assets	12,419	(11,694)
Increase (decrease) in operating liabilities		
Increase (decrease) in accounts payable	(36,792)	58,199
Increase (decrease) in accrued vacation	(4,994)	9,572
Increase in accrued program incentives	15,895	5,075
Decrease in accrued expenses	(8,997)	(27,282)
Increase (decrease) in deferred revenue	(1,826)	12,831
Net cash used by operating activities	**(574,097)**	**(453,776)**
Cash flows from investing activities:		
Purchase of fixed assets	(156,702)	(333,786)
Proceeds from sale of fixed assets	89,260	576,674
Net purchases of investments	(35,290)	(14,956)
Net cash provided (used) by investing activities	**(102,732)**	**227,932**
Net Decrease in Cash and Cash Equivalents	**(676,829)**	**(225,844)**
Cash and Cash Equivalents at Beginning of Year	**2,522,102**	**2,747,946**
Cash and Cash Equivalents at End of Year	**$ 1,845,273**	**2,522,102**
Supplemental Disclosures of Cash Flow Information		
Noncash Activities		
Donated goods and services	$ 187,501	311,212

See accompanying accountant's report and notes to financial statements.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

Nature of the Organization

Girl Scouts of the Missouri Heartland, Inc., a Missouri not-for-profit corporation, builds girls of courage, confidence and character, who make the world a better place. Programs and services are available to girls and women age five and older who subscribe to the Girl Scout Promise and Law. The Council currently has five administrative offices in Springfield, Joplin, Dexter, Cape Girardeau, and Jefferson City. Girl Scouts of the Missouri Heartland, Inc. has a membership of just under 15,000 girls and 4,500 adults across 68 counties in central and southern Missouri, southeast Kansas, and northeast Oklahoma.

Girl Scouts of the Missouri Heartland, Inc. is chartered by Girl Scouts of the USA. The charter grants the Council the right to develop, manage, and maintain Girl Scouting in a specified area of jurisdiction. In order to retain the charter, the Council agrees to subscribe to the purpose, adhere to the policies and be guided by the standards of the Girl Scouts of the United States of America.

Accounting Method

The Organization uses the accrual method of accounting, which recognizes revenue when earned and expenses when incurred.

Financial Statement Presentation

The Organization is required to report information regarding its financial position and activities according to three classes of net assets: unrestricted net assets, temporarily restricted net assets, and permanently restricted net assets. The Organization does not use fund accounting.

Contributed Services and Facilities

During the years ended September 30, 2015 and 2014, the value of contributed products and services meeting the requirements for recognition in the financial statements was material and has been recorded at fair market value. Donated contributions are recognized if the donation creates or enhances a nonfinancial asset or requires specialized skills that are provided by individuals possessing those skills and would typically need to be purchased if not provided by donation. In addition, many individuals volunteer their time and perform a variety of tasks that assist the Organization, but these services do not meet the criteria for recognition as contributed services. The value of contributed goods and services as of September 30, 2015 and 2014 was $187,501 and $311,212, respectively, and has been properly used to support program services.

Cash and Cash Equivalents

For purposes of the statement of cash flows, the Organization considers all highly liquid investments available for current use with an initial maturity of three months or less at the date of their acquisition to be cash equivalents.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Inventory

Inventories are stated at the lower of cost or market based on the weighted-average method, and consists of girl scouting supplies, uniforms, and handbooks.

Property and Depreciation

Property and equipment are stated at cost. It is the Council's policy to capitalize property and equipment with a value of $1,000 or more with a life expectancy longer than three years. Donations of property and equipment are recorded as support at their estimated fair value at the date of donation. Depreciation is computed by applying the following methods and estimated lives:

Category	Estimated Life	Method
Buildings and improvements	10-40 years	Straight-line
Leasehold improvements	5-15 years	Straight-line
Vehicles	5-10 years	Straight-line
Livestock	5-10 years	Straight-line
Furniture and equipment	5-10 years	Straight-line
Computer equipment	3-7 years	Straight-line

Investments

Investments in marketable securities with readily determinable fair values are reported at their fair values in the statement of financial position. Unrealized gains and losses are included in the change in net assets. Investment income and gains restricted by a donor are reported as increases in unrestricted net assets if the restrictions are met (either by passage of time or by use) in the reporting period in which the income and gains are recognized.

Contributions and Unconditional Promises to Give

Contributions received are recorded as unrestricted, temporarily restricted, or permanently restricted support depending on the existence or nature of any donor restrictions.

Contributions are recognized when the donor makes a promise to give to the Council that is, in substance unconditional. Contributions that are restricted by the donor are reported as increases in unrestricted net assets if the restrictions expire in the fiscal year which the contributions are recognized. All other donor-restricted contributions are reported as increases in temporarily or permanently restricted net assets depending on the nature of the restrictions. When a restriction expires, temporarily restricted net assets are reclassified to unrestricted net assets.

An allowance for uncollectible unconditional promises to give is based on a review of the current status of the existing promises to give. The allowance balance as of September 30, 2015 and 2014 was $2,100 and $3,549, respectively. The allowance for uncollectible accounts receivable balance as of September 30, 2015 and 2014 was $64,812 and $46,597, respectively. Therefore, the total allowance for uncollectible receivables and pledges for September 30, 2015 and 2014 was $66,912 and $50,146, respectively.

Functional Allocation of Expenses

The costs of providing the various programs and other activities have been summarized on a functional basis in the Statement of Activities and in the Statement of Functional Expenses. Accordingly, certain costs have been allocated among the programs and supporting services.

NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES (CONTINUED)

Income Taxes

The Organization is a not-for-profit organization that is exempt from income taxes under Section 501(c)(3) of the Internal Revenue Code and classified by the Internal Revenue Service as other than a private foundation.

The Organization has evaluated its tax positions for all open tax years. Currently, the tax years open and subject to the Internal Revenue Service are the years ended September 30, 2012, 2013 and 2014 tax years. However, the Organization is not currently under audit nor has the Organization been contacted by any jurisdiction. Based on the evaluation of the Organization's tax positions, management believes all tax positions taken would be upheld under an examination. Therefore, no provision for the effects of uncertain tax positions have been recorded for the fiscal years ended September 30, 2015 and 2014. Interest and penalties, if any, related to annual Form 990 or unrelated business income tax filings are reported within general and administrative expenses in the statement of activities.

Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect certain reported amounts and disclosures. Accordingly, actual results could differ from those estimates.

Subsequent Events

Girl Scouts of the Missouri Heartland, Inc. has evaluated subsequent events through December 18, 2015, the date on which the financial statements were available to be issued.

NOTE 2: RESTRICTIONS ON NET ASSETS

Temporarily restricted net assets as of September 30, 2015 and 2014 are available for the following purposes:

	2015	2014
3M – Camp Unplugged	$ 771	771
Iva Awberry Revocable Trust	9,647	9,647
DeLappe Fund	20,142	31,355
Miscellaneous Services and Programs	1,492	1,492
Sacajawea West Improvements	1,277	1,277
Dennis L Cain Fund	6,996	7,140
Doris Brown Fund	54,455	69,032
Travel for Adult Volunteer Training	6,273	6,005
Disaster Relief Fund	1,994	2,314
Eleanor Peck Johnson Scholarship	14,757	16,485
Pat Renard	135	135
Latonka Property Plan	15,135	30,879
Mintahama Property Plan	2,052	10,742
Nixa Community Foundation	-	2,159
United Way of Central Missouri Grant	2,835	-
Boone County Electric	2,000	-
Total Temporarily Restricted Net Assets	$ 139,961	189,433

Permanently restricted net assets as of September 30, 2015 and 2014 are as follows:

	2015	2014
Susie Henry	$ 100	100
Dogwood Trails Council Endowment	21,382	21,382
Dogwood Trails Mtn. View Endowment	12,884	12,884
Camp Suzanne Improvements	30,050	30,050
Conservation Projects	12,000	12,000
Building Maintenance Endowment	1,000	1,000
DeLappe Fund	234,356	247,843
Eleanor Peck Johnson Scholarship	28,979	28,479
Harryette Campbell Fund	47,431	53,360
Travel for Adult Volunteer Training	4,137	4,137
Dyer Fund for Camp Assistance	2,884	2,884
Total Permanently Restricted Net Assets	$ 395,203	414,119

The board has designated the proceeds from the sale of the Joplin service center, Cape Girardeau building, Greenberry property and Sacajawea - East to be used for future capital improvements. As of September 30, 2015 and 2014, the board had $606,535 and $662,408, respectively, available for use.

NOTE 3: INVESTMENTS

Investments in equity securities with readily determinable fair values and all debt securities are reported at fair value with gains and losses included in the statement of activities. Investments as of September 30, 2015 and 2014 are summarized as follows:

	2015	2014
Certificates of deposit	$ 117,540	$ 117,021
Mutual funds	1,318,171	1,365,131
Common and preferred stocks	309,921	363,893
U.S. government bonds	5,690	7,156
Total Investments	$ 1,751,322	$ 1,853,201

The Organization is the beneficiary under a perpetual trust administered by an outside party. Under the terms of the trust, the Organization has the irrevocable right to receive distributions from the trust assets and earnings in perpetuity, but never receives the assets held in trust. The estimated value of the expected future cash flow as of September 30, 2015 and 2014 is $234,356 and $247,842 respectively, which represents the fair value of the trust assets, and is included in long-term investments in the Statements of Financial Position. Distributions from this trust as of September 30, 2015 and 2014 were $0 and $10,527 respectively.

Investment return for all investments and cash accounts consisted of the following as of September 30, 2015 and 2014:

	2015	2014
Investment income	$ 73,701	$ 54,200
Investment fees	(6,395)	(6,112)
Realized gain	15,554	21,425
Unrealized gain (loss)	(152,723)	129,080
Net Investment Income (Loss)	$ (69,863)	$ 198,593

Investments are exposed to various risks, such as interest rates, market, and credit. Due to the level of risk associated with certain investments and the level of uncertainty related to changes in their values, it is at least reasonably possible that changes in risks in the near term would materially affect the investment balances reported in the financial statements.

NOTE 4: FAIR VALUE MEASUREMENTS

Financial Accounting Standards Board ASC 820, Fair Value Measurements (formerly FASB Statement No. 157), establishes a framework for measuring fair value and expands disclosures about fair value measurements. That framework provides a fair value hierarchy that prioritizes the inputs to valuation techniques used to measure fair value. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (level 1 measurements) and the lowest priority to unobservable inputs (level 3 measurements). The three levels of the fair value hierarchy under ASC 820 are described below:

Level 1 Inputs to the valuation methodology are unadjusted quoted prices for identical assets or liabilities in active markets that the organization has the ability to access.

Level 2 Inputs to the valuation methodology include:

- Quoted prices for similar assets and liabilities in active markets;
- Quoted prices for identical or similar assets or liabilities in inactive markets;
- Inputs other than quoted prices that are observable for the asset or liability;
- Inputs that are derived principally from or corroborated by observable market data by correlation or other means.

If the asset or liability has a specified (contractual) term, the Level 2 input must be observable for substantially the full term of the asset or liability.

Level 3 Inputs to the valuation methodology are unobservable and significant to the fair value measurement.

The asset's or liability's fair value measurement level within the fair value hierarchy is based on the lowest level of any input that is significant to the fair value measurement. Valuation techniques used need to maximize the use of observable inputs and minimize the use of unobservable inputs.

Following is a description of the valuation methodology used for assets measured at fair value. There have been no changes in the methodologies used at September 30, 2015.

Mutual Funds: Valued at the quoted market prices available on active market which is based on the underlying net asset value (NAV) of share hold by the organization at year-end.

Common and preferred stocks: Valued at quoted market prices available on an active market.

U.S. Government bonds: Valued at the closing price reported in the market in which the individual bond is traded.

NOTE 4: FAIR VALUE MEASUREMENTS (CONTINUED)

Beneficial interest in perpetual trusts: Consist of the Organization's interests in trusts held by others in perpetuity for the benefit of the Organization with fair values based on present value and other techniques using unobservable inputs.

The methods described above may produce a fair value calculation that may not be indicative of net realizable value or reflective of future fair values. Furthermore, while the Organization believes its valuation methods are appropriate and consistent with other market participants, the use of different methodologies or assumptions to determine the fair value of certain financial instruments could result in a different fair value measurement at the reporting date.

The following table sets forth by level, within the fair value hierarchy, the Organization's assets at fair value as of September 30, 2015 and 2014:

Assets at Fair Value as of September 30, 2015

	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Certificates of deposit	$ -	117,540	-	117,540
Mutual funds	1,203,373	-	-	1,203,373
Common or preferred stock	190,363	-	-	190,363
US government bonds	-	5,690	-	5,690
Beneficial interest in perpetual trust	-	-	234,356	234,356
Total Assets at Fair Value	$ 1,393,736	123,230	234,356	1,751,322

The following table sets forth a summary of changes in the fair value of the Organization's Level 3 assets for the year ended September 30, 2015:

	Significant Unobservable Inputs (Level 3)
Beginning balance, September 30, 2014	$ 247,842
Interest and dividends, current period	4,858
Taxes and fees	(3,691)
Realized gains	4,902
Unrealized losses	(19,555)
Ending balance, September 30, 2015	$ 234,356
The amount of total gains or losses for the period included in changes in net assets attributable to the change in unrealized gains or losses relating to assets still held at the reporting date	$ (19,555)

The summary of changes of the Organization's Level 3 assets includes the cash portion of $25,479.

NOTE 4: FAIR VALUE MEASUREMENTS (CONTINUED)

Assets at Fair Value as of September 30, 2014

	Quoted Prices in Active Markets (Level 1)	Significant Other Observable Inputs (Level 2)	Significant Unobservable Inputs (Level 3)	Total
Certificates of deposit	$ -	117,021	-	117,021
Mutual funds	1,263,356	-	-	1,263,356
Common or preferred stock	217,826	-	-	217,826
US government bonds	-	7,156	-	7,156
Beneficial interest in perpetual trust	-	-	247,842	247,842
Total Assets at Fair Value	$ 1,481,182	124,177	247,842	1,853,201

The following table sets forth a summary of changes in the fair value of the Organization's Level 3 assets for the year ended September 30, 2014:

	Significant Unobservable Inputs (Level 3)
Beginning balance, September 30, 2013	$ 238,946
Distributions	(10,527)
Interest and dividends, current period	5,701
Taxes and fees	(2,766)
Realized gains	208
Unrealized gains	16,280
Ending balance, September 30, 2014	$ 247,842
The amount of total gains or losses for the period included in changes in net assets attributable to the change in unrealized gains or losses relating to assets still held at the reporting date	$ 16,280

The summary of changes of the Organization's Level 3 assets includes the cash portion of $7,821.

NOTE 5: PROMISES TO GIVE

Unconditional promises to give and receivables as of September 30, 2015 and 2014 are as follows:

	2015	2014
Pledges receivable in less than one year	$ 44,445	48,444
Miscellaneous receivables and pledges	95,716	71,582
Allowance for doubtful accounts	(66,912)	(50,146)
Current year receivables and pledges	$ 73,249	69,880
Pledges receivable in one to five years	$ 18,710	47,527
Total Long-Term Pledges	$ 18,710	47,527

NOTE 6: PROPERTY AND EQUIPMENT

Property and equipment as of September 30, 2015 and 2014 consist of the following:

	2015	2014
Land and improvements	$ 1,185,527	1,287,622
Buildings and improvements	4,254,204	4,180,203
Leasehold improvements	192,633	192,633
Vehicles	138,895	138,895
Livestock	17,381	17,381
Furniture and equipment	494,925	477,069
Computer equipment	55,728	55,728
	6,339,293	6,349,531
Less: accumulated depreciation	3,157,475	3,004,390
Net Fixed Assets	$ 3,181,818	3,345,141

Two camp site locations deeded to the Council in previous years have provisions that if the Girl Scouts ceased using these locations for camping and other outdoor activities related to Girl Scout programs then certain stipulations would be imposed. The stipulation for Friendship Fields camp site requires the Council to provide a comparable camp site within Crawford County, Kansas if the present location is sold or ceases to be a Girl Scout camp site. The stipulation for Camp Suzanne camp site requires the reversion of the property to the heirs of the grantors if the present location is conveyed to another person, firm, organization or corporation or ceases to be a Girl Scout camp site. The stipulation for Camp Suzanne remains in effect until December 2055.

In June 2014 and June 2015, the Sacajawea-East property and the Greenberry property were sold. The proceeds from the sale have been designated by the board to be used for future capital improvements.

NOTE 7: RETIREMENT PLAN

The council participates in the National Girl Scout Council Retirement Plan (NGSCRP), a noncontributory defined benefit pension plan sponsored by Girl Scouts of the USA. The National Board of Girl Scouts of the USA voted to freeze the plan to new entrants and to freeze future benefit accruals for all current participants under the Plan effective July 31, 2010. The plan covers substantially all of the employees of various Girl Scout councils who were eligible to participate in the plan prior to the Plan freeze. Accrued and vested benefits prior to July 31, 2010 are based on years of service and salary levels.

Although net Plan assets grew during the year, net Plan assets available for Plan benefits continue to be less than the actuarial present value of accumulated Plan benefits as of January 1, 2015. Based on the April 18, 2014 conditional approval by the Internal Revenue Service (IRS), all existing amortization bases in the Plan's funding standard account as of January 1, 2013 were combined into one base and the resulting amortization period for that single base was extended to 10 years. Approval applies as long as at a minimum, beginning with the January 1, 2013 calendar year, $30,000,000 is remitted. The $30,000,000 calendar year minimum applies for each succeeding calendar year until the Plan is fully funded based upon the requirements of the Pension Protection Act of 2006 (PPA). In addition, on April 8, 2014, President Obama signed H.R. 4275 into law, a relief package unanimously passed by Congress that gives NGSCRP the flexibility to adopt the Pension Protection Act (PPA) funding requirements immediately or not at all. NGSCRP has elected to adopt this relief and not be subject to PPA. Aggregate contributions made in fiscal year 2015 and 2014 are $34,500,000. Aggregate contributions made in fiscal 2016 are expected to be $34,500,000.

The Council made contributions into the Plan of $308,895 and $315,703 during the years ended September 30, 2015 and 2014, respectively.

NOTE 8: CONCENTRATION OF SUPPORT

The annual Girl Scout cookie sales accounted for approximately 75% and 65% of total unrestricted revenues, gains, and other support for 2015 and 2014, respectively.

The results of the Council's cookie sales program and other sales programs for the year ended September 30, 2015 and 2014 were are follows:

	2015	2014
Cookie sale program revenue	$ 5,480,253	5,156,363
Cost of cookies	(1,432,235)	(1,359,633)
Troop proceeds	(855,628)	(785,852)
Total Cookie Sale Program Revenue	$ 3,192,390	3,010,878
Fall product program revenue	$ 480,871	545,092
Cost of fall product	(201,458)	(234,927)
Troop proceeds	(101,405)	(114,541)
Total Fall Product Program Revenue	$ 178,008	195,624

NOTE 8: CONCENTRATION OF SUPPORT (CONINUED)

United Way cash contributions represented 55% and 49% of total cash contributions received by Girl Scouts for the fiscal years September 30, 2015 and 2014, respectively.

NOTE 9: OPERATING LEASES

The Council has leases for the use of office and computer equipment. Total lease expense for the lease items as of September 30, 2015 and 2014 was $112,639 and $74,751 respectively.

Future minimum lease payments under these operating leases are as follows:

2016	$ 108,553
2017	87,638
2018	67,051
2019	9,349
Total Minimum Lease Payments	$ 272,591

NOTE 10: LIFE INSURANCE POLICY

Girl Scouts of the Missouri Heartland, Inc. is the owner of a $10,000 life insurance policy. As of September 30, 2015 and 2014, the cash surrender value of the life insurance policy was $6,273 and $6,005 respectively.

NOTE 11: LEASED FACILITIES

The Council is the lessee in a lease agreement with the Army Corp of Engineers for a 25 year period from January 1, 1996 to December 31, 2020. The lease covers land in Wappaello lake area, which is used for camping and recreational activities. The lease payment is nominal.

The Council is the lessee in a lease agreement with the Virgil Faulkner Post of Phelps County of Veterans of Foreign Wars for a 99 year period from March 1, 1981 to February 28, 2080. The lease covers a small facility in Rolla, Missouri that is used for program services. The lease payment consisted of $7,500 to cover fifty percent of the buildings construction. This lease was terminated in June 2015.

The Council is the lessee in a lease agreement with the Cherokee County American Legion for a 99 year period from April 20, 1979 to April 19, 2078. The lease covers a small facility in Columbus, Kansas that is used for program services. The lease payment is nominal.

The Council was donated a time share in Branson, Missouri. The time share is available to the Council one week every even year. The Council pays $300 in annual maintenance fees. The Council currently has the time share placed on the market to be sold.

NOTE 11: LEASED FACILITIES (CONTINUED)

All of the leases listed above involved nominal payments or payments below market value. The difference between the fair rental value and the stated rent payments was recorded as a contribution at an estimated net present value of $161,669 as of October 1, 2008. As of September 30, 2015 and 2014, the estimated net present value of these land leases are as follows:

	2015	2014
Portion of land lease due in less than one year	$ 8,896	9,532
Portion of land lease due in one to five years	30,992	40,228
Portion of land lease due in more than five years	2,541	4,384
Total	$ 42.429	54,144

Total amortization for the long-term leases as of September 30, 2015 and 2014 was $11,715 and $10,097 respectively. The discount rate used in calculating the net present value of these land leases was the 30 year United States Treasury rate at the time the lease was established.

NOTE 12: CONCENTRATIONS OF CREDIT RISK

At times during the current fiscal year, the Organization's cash balances exceeded the U.S. Federal Deposit Insurance Corporation's insurance limits.

NOTE 13: SUBORDINATE UNIT BANK ACCOUNTS

Girl Scout troops and groups establish bank accounts under the Council's tax identification number. All troop and group funds are maintained for the benefit of the girls within the respective group. These funds are not under the financial control of the Council and have not been included in the financial statements.